

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS**

**TYLER DIVISION**

**DATE:** July 14, 2010

**JUDGE**  
LEONARD DAVIS

**REPORTER:** Shelly Holmes

**LAW CLERK:** Kat Li

<b>NETWORK-1 SECURITY SOLUTIONS</b>  <b>V</b>  <b>CISCO SYSTEMS, et al</b>	<b>CIVIL ACTION NO: 6:08-CV-30</b>  <b>JURY TRIAL - DAY 3</b>
<b>ATTORNEYS FOR PLAINTIFFS</b>	<b>ATTORNEY FOR DEFENDANT</b>
Greg Dovel (Dovel & Luner) John Eichmann (Dovel & Luner) Johnny Ward (Ward & Smith )	William Lee (Wilmer Cutler Pickering) Mark Selwyn (Wilmer Cutler Pickering) Lauren Fletcher (Wilmer Cutler Pickering) David Beck (Beck Redden & Secrest) Otis Carroll (ICK Firm) Eric Findlay (Findlay Craft) <i>For Cisco</i>  David Bahler (Fulbright & Jaworski) Gilbert Greene (Fulbright & Jaworski) <i>For Adtran</i>  Richard Vasquez (Vasquez Benisek & Lindgren) Bill Cornelius (Wilson Law Firm) <i>For Enterasys</i>  Ken Adamo (Jones Day) Behrooz Shariati (Jones Day) <i>For Extreme</i>  Henry Bunsow (Howrey Simon Arnold) John Hamann (Howrey) Sonny Cherian (Howrey) Calvin Capshaw (Capshaw & DeRieux) <i>For Foundry</i>  Jeff Ostrow (Simpson Thacher Bartlett) Kerry Konrad (Simpson) <i>For 3Com</i>

**FILED: 7.14.2010**

**DAVID J. MALAND, CLERK**

BY: Rosa L. Ferguson, Courtroom Deputy

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On this day, came the parties by their attorneys and the following proceedings were had:

**OPEN:** 9:10 AM**ADJOURN:** 5:05 pm

<b>TIME:</b>	<b>MINUTES:</b>
9:10 am	Trial resumed. <b>Jury seated in the courtroom.</b>
	Mr. Eichmann addressed the Court and offered <b>Plaintiff's Exhibit List #2</b> , which contains <b>Plaintiff's Exhibits #132, 143, 342, 393, 397 - 401, 403, 464 - 471, 502, 512 - 516, 518, 540, 570, 572, 573, 580</b> . Without objection, <b>Plaintiff's Exhibit List #2</b> admitted. Mr. Eichmann offered separately, <b>Plaintiff's Exhibits #231, 423, 463 and 503</b> , and without objection exhibits admitted.
	Mr. Eichmann addressed the Court on video depositions of 19 witnesses and the time was provided to the Clerk who tendered to the Court.
	Mr. Eichmann called <b>STEVEN CARLSON</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>MICHAEL McCORMACK</b> by Video Deposition. Video played for the jury. Mr. Eichman called <b>MICHAEL McCORMACK</b> by Video Deposition. (Testimony from the Witness's current employer) Video played for the jury.
	Mr. Eichman called <b>DAVID DWELLEY</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>ROGER KARAM</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>FREDRICK SCHINDLER</b> by Video Deposition. Video played for the jury. Mr. Eichmann addressed the Court on a clip that may have been cut. Defendants' counsel concurred. Mr. Eichmann addressed the Court and it will be figured out at the break.
	Mr. Eichman called <b>WILLIAM CHOE</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>CHRIS WIDMANN</b> by Video Deposition. Video played for the jury.
10:25 am	Court in recess until 10:40 am.
10:50 am	Trial resumed. <b>Jury seated in the courtroom.</b>
	Mr. Eichman called <b>PAUL HOOPER</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>JIM HISCOCK</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>DOUG HYDE</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>ALAN MIANO</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>JASON PANG</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>BENJAMIN TAFT</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>KARL PIEPER</b> by Video Deposition. Video played for the jury.
	Mr. Eichman called <b>THOMAS LOUREIRO</b> by Video Deposition. Video played for the jury.

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TIME:	MINUTES:
	Mr. Eichman called <b>KEVIN SCHNEIDER</b> by Video Deposition. Video played for the jury. (2 DIFFERENT CLIPS PLAYED)
	Mr. Eichman addressed the Court and subject to discrepancies in exhibit list, <b>PLAINTIFF RESTS.</b>
	Court addressed the Jury and will recess them until 1:00 pm. <b>Jury excused from the courtroom.</b>
	Court addressed the parties and inquired if the parties had any matters to bring up.
	Mr. Adamo addressed the Court on the Rule 50 motions.
	Mr. Lee addressed the Court on plaintiff's objection as to Nakamura. Mr. Dovel responded. Mr. Lee replied. Objection is overruled.
	Court advised parties that jury is asking for diet soda.
12:00 pm	Court in recess until 1:00 p.m.
1:20 pm	Trial resumed. Jury seated in the courtroom.
	Mr. Lee offered <b>Defendants' Exhibit List 1</b> , which list <b>Defendants' Exhibits #19, 24, 48, 131, 1317, 1327, 1328, 1333, 1498, 1500, 1502, 1504, 1506, 1510, 1511 &amp; 1514.</b> Without objection, <b>Defendants' Exhibit List #1 admitted.</b>  Mr. Lee offered separately, <b>Defendants' Exhibits #121, 132, 133, 134, 135, 136, 138, 141, 142, 142, 143, 144, 262, 318, 487, 490 - 496, 499 - 501, 503 - 520, 695 - 698, 1396, 1397, 1399, 1402, 1404 &amp; 1405,</b> and without objection, these exhibits admitted.
	Ms. Fletcher called <b>KARL NAKAMURA</b> to the witness stand. Counsel indicated witness sworn previously. Court addressed witness and indicated Clerk and Transcript did not have a record of him having been sworn, and in an abundance of caution, witness sworn.
	Direct examination of Mr. Nakamura by Ms. Fletcher. Mr. Dovel asked to approach the bench. Bench conference held.
	Direct examination of Mr. Nakamura by Ms. Fletcher continued.
	Ms. Fletcher passed the witness. Cross examination of Mr. Nakamura by Mr. Dovel.
	Mr. Dovel passed the witness. Redirect examination by Ms. Fletcher.
	Ms. Fletcher passed the witness. No further questions of this witness.
2:35 pm	Court in recess until 2:55 p.m.
3:00	Mr. Ostrow addressed the Court and will be calling Richard Baker and Mr. Mr. Konrad will be conducting the examination. Mr. Conrad offered <b>Defendants' Exhibit #120</b> , and without objection exhibit admitted.
	Mr. Konrad called <b>RICHARD BAKER</b> to the witness stand. Witness sworn.
	Direct examination of Mr. Baker by Mr. Konrad.

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<b>TIME:</b>	<b>MINUTES:</b>
	Mr. Konrad passed the witness. Cross examination of Mr. Baker by Mr. Eichmann.
	Mr. Eichmann passed the witness. Redirect examination of Mr. Baker by Mr. Konrad.
	Mr. Konrad passed the witness. Recross examination of Mr. Baker by Mr. Eichmann.
	Mr. Eichmann passed the witness. Witness excused.
	Mr. Lee called <b>STEVEN CARLSON</b> to the witness stand. Witness previously sworn. Mr. Dovel asked to approach the bench. Bench conference held.
	Direct examination of Mr. Carlson by Mr. Lee. Mr. Lee offered <b>Defendants' Exhibit #588</b> , and with what was addressed at the bench, exhibit admitted.
	Mr. Lee passed the witness. Cross examination of Mr. Carlson by Mr. Dovel. Mr. Lee asked to approach the bench. Bench conference held.
	Cross examination of Mr. Carlson by Mr. Dovel continued.
	Mr. Dovel passed the witness. Redirect examination of Mr. Carlson by Mr. Lee.
	Mr. Lee passed the witness. Witness excused.
	Court addressed the jury and will recess them for the evening. Court will see them back at 9:00 a.m. Jury excused from the courtroom.
	Court addressed the parties and gave them their times. Plaintiff has used 8:25 and Defendants have used 6:30. Court inquired if the parties anticipate using the time left because we are falling behind. Mr. Dovel responded. Mr. Lee responded.
	Court would like to see counsel in chambers. Mr. Vasquez reminded Judge of the 5-minute witness. Court will proceed to hear testimony.
	<b>HEARING OUTSIDE THE PRESENCE OF THE JURY:</b>
	Mr. Vasquez called <b>THOMAS LOUREIRO</b> to the witness stand. Witness sworn.
	Direct examination of Mr. Loureiro by Mr. Vasquez.
	Mr. Vasquez passed the witness. Cross examination of Mr. Loureiro by Mr. Eichmann.
	Mr. Eichmann passed the witness. Redirect examination of Mr. Loureiro by Mr. Vasquez.
	Mr Vasquez passed the witness.
5:05 pm	There being nothing further, Court adjourned for the day. Court asked to see counsel in chambers.
<b>Note:</b>	<b>Court conducted settlement negotiations with the parties from 5:15 pm - 9:30 pm.</b>